

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

S

W-02848A
Starlight Water Company, Inc.
P.O. Box 1842
Wenatchee, WA 98807

RECEIVED

APR 10 2006

**Z Corporation Commissic
Director of Utilities**

ANNUAL REPORT

FOR YEAR ENDING

12	31	2005
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FOR COMMISSION USE

ANN04	05
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entered
4-11-06
RF

COMPANY INFORMATION

Company Name (Business Name) <u>STARLIGHT WATER CO., INC.</u>		
Mailing Address <u>PO BOX 1842</u>		
<u>WENATCHEE</u> (City)	<u>WASHINGTON</u> (State)	<u>98807</u> (Zip)
<u>(509) 679-6725</u>	<u>(509) 884-0698</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>PO Box 85160</u>		
<u>TUCSON</u> (City)	<u>ARIZONA</u> (State)	<u>85754</u> (Zip)
<u>(520) 623-5172</u>	<u>(520) 792-0377</u>	
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>SOUTHWESTERN UTILITY MANAGEMENT, INC.</u>			
<u>BONNIE O'CONNOR</u> (Name)		<u>VICE PRESIDENT</u> (Title)	
<u>PO BOX 85160</u> (Street)	<u>TUCSON</u> (City)	<u>ARIZONA</u> (State)	<u>85754</u> (Zip)
<u>(520) 623-5172</u>	<u>(520) 792-0377</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address <u>SWUMGMT@AOL.COM</u>			
On Site Manager: <u>LEE THOMPSON</u>			
(Name)			
<u>HC 31 BOX 886</u> (Street)	<u>HAPPY JACK</u> (City)	<u>ARIZONA</u> (State)	<u>86024-9710</u> (Zip)
<u>(928) 477-2720</u>	<u>(928) 477-2720</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: SALLQUIST & DRUMMOND

(Name)

4500 S. LAKESHORE DR., SUITE 339

(Street)

TEMPE

(City)

ARIZONA

(State)

85282

(Zip)

(602) 224-9526

Telephone No. (Include Area Code)

(602) 224-9366

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Attorney: RICHARD SALLQUIST

(Name)

4500 S. LAKESHORE DR., SUITE 339

(Street)

TEMPE

(City)

ARIZONA

(State)

85282

(Zip)

(602) 224-9526

Telephone No. (Include Area Code)

(602) 224-9366

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☒ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☐ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☒ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☐ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME

STARLIGHT WATER CO., INC.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	2,000.00	N/A	2,000.00
302	Franchises	-0-	-0-	-0-
303	Land and Land Rights	14,000.00	N/A	14,000.00
304	Structures and Improvements	246,382.00	49,386.00	196,995.00
307	Wells and Springs	284,423.00	43,236.00	241,187.00
311	Pumping Equipment	357,579.00	79,687.00	277,892.00
320	Water Treatment Equipment	-0-	-0-	-0-
330	Distribution Reservoirs and Standpipes	467,092.00	78,016.00	389,076.00
331	Transmission and Distribution Mains	1,795,598.00	333,620.00	1,461,979.00
333	Services	167,200.00	34,686.00	132,515.00
334	Meters and Meter Installations	34,869.00	13,834.00	21,035.00
335	Hydrants	283,050.00	60,717.00	222,333.00
336	Backflow Prevention Devices	-0-	-0-	-0-
339	Other Plant and Misc. Equipment	-0-	-0-	-0-
340	Office Furniture and Equipment	2,152.00	1,018.00	1,134.00
341	Transportation Equipment	34,938.00	14,834.00	20,104.00
343	Tools, Shop and Garage Equipment	5,004.00	1,482.00	3,522.00
344	Laboratory Equipment	-0-	-0-	-0-
345	Power Operated Equipment	-0-	-0-	-0-
346	Communication Equipment	-0-	-0-	-0-
347	Miscellaneous Equipment	-0-	-0-	-0-
348	Other Tangible Plant	261.00	44.00	217.00
	TOTALS	3,694,548.00	710,561.00	2,983,987.00

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

STARLIGHT WATER COMPANY, INC.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	2,000.00	N/A	-0-
302	Franchises	-0-	N/A	-0-
303	Land and Land Rights	14,000.00	N/A	-0-
304	Structures and Improvements	246,382.00	3.33%	6,209.00
307	Wells and Springs	284,423.00	3.33%	9,715.00
311	Pumping Equipment	357,579.00	12.50%	4,512.00
320	Water Treatment Equipment	-0-	-0-	-0-
330	Distribution Reservoirs and Standpipes	467,092.00	2.22%	11,401.00
331	Transmission and Distribution Mains	1,795,598.00	2%	35,952.00
333	Services	167,200.00	3.33%	5,598.00
334	Meters and Meter Installations	34,869.00	8.33%	3,190.00
335	Hydrants	283,050.00	2%	5,661.00
336	Backflow Prevention Devices	-0-	-0-	-0-
339	Other Plant and Misc. Equipment	-0-	-0-	-0-
340	Office Furniture and Equipment	2,152.00	6.67%	144.00
341	Transportation Equipment	34,938.00	20%	6,924.00
343	Tools, Shop and Garage Equipment	5,004.00	5%	250.00
344	Laboratory Equipment	-0-	-0-	-0-
345	Power Operated Equipment	-0-	-0-	-0-
346	Communication Equipment	-0-	-0-	-0-
347	Miscellaneous Equipment	-0-	-0-	-0-
348	Other Tangible Plant	261.00	2.50%	7.00
	TOTALS	3,694,548.00		710,561.00

This amount goes on the Comparative Statement of Income and Expense _____
 Acct. No. 403.

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 1,133.00	\$ 1,896.00
134	Working Funds	-0-	
135	Temporary Cash Investments	-0-	
141	Customer Accounts Receivable	7,202.00	8,845.00
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	144.00	144.00
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 8,479.00	\$ 10,885.00
	FIXED ASSETS		
101	Utility Plant in Service	\$ 3,627,161.00	\$ 3,837,471.00
103	Property Held for Future Use	7,687.00	7,687.00
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	(710,561.00)	(810,857.00)
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 2,924,288.00	\$ 3,034,301.00
	TOTAL ASSETS	\$ 2,932,766.00	\$ 3,045,186.00

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 6,675.00	\$ 4,828.00
232	Notes Payable (Current Portion)	-0-	
234	Notes/Accounts Payable to Associated Companies	-0-	
235	Customer Deposits	112,193.00	128,642.00
236	Accrued Taxes	1,495.00	1,413.00
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		1,540.00
	TOTAL CURRENT LIABILITIES	\$ 120,363.00	\$ 136,443.00
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 66,442.00	\$ 29,562.00
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	1,571,623.00	1,707,941.00
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	841,278.00	841,278.00
272	Less: Amortization of Contributions	(339,932.00)	(360,964.00)
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 2,072,969.00	\$ 2,188,255.00
	TOTAL LIABILITIES	\$ 2,259,774.00	\$ 2,354,260.00
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 957,931.00	\$ 957,931.00
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	(284,939.00)	(267,005.00)
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 672,992.00	\$ 672,992.00
	TOTAL LIABILITIES AND CAPITAL	\$ 2,932,766.00	\$ 3,045,186.00

COMPANY NAME

STARLIGHT WATER COMPANY, INC.

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 238,409.00	\$ 269,663.00
460	Unmetered Water Revenue	-0-	-0-
474	Other Water Revenues	5,308.00	6,668.00
	TOTAL REVENUES	\$ 243,717.00	\$ 276,331.00
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 80,064.00	\$ 88,644.00
610	Purchased Water	-0-	
615	Purchased Power	12,325.00	24,614.00
618	Chemicals	-0-	
620	Repairs and Maintenance	8,867.00	10,682.00
621	Office Supplies and Expense	9,313.00	10,123.00
630	Outside Services	18,732.00	20,938.00
635	Water Testing	4,494.00	5,098.00
641	Rents	-0-	-0-
650	Transportation Expenses	10,157.00	6,990.00
657	Insurance – General Liability	12,101.00	8,998.00
659	Insurance - Health and Life	5,672.00	10,128.00
666	Regulatory Commission Expense – Rate Case	-0-	-0-
675	Miscellaneous Expense	3,556.00	1,097.00
403	Depreciation Expense (LESS AMORT. EXP.)	106,405.00	79,264.00
408	Taxes Other Than Income	93.00	9,284.00
408.11	Property Taxes	3,190.00	1,513.00
409	Income Tax	50.00	50.00
	TOTAL OPERATING EXPENSES	\$ 284,226.00	\$ 277,423.00
	OPERATING INCOME/(LOSS)	\$ (40,509.00)	\$ 1,092.00
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ -0-	\$
421	Non-Utility Income	-0-	5,675.00
426	Miscellaneous Non-Utility Expenses	-0-	-0-
427	Interest Expense	817.00	2,603.00
	TOTAL OTHER INCOME/(EXPENSE)	\$ 817.00	\$ 3,072.00
	NET INCOME/(LOSS)	\$ (41,326.00)	\$ 1,980.00

COMPANY NAME

STARLIGHT WATER COMPANY, INC.

SUPPLEMENTAL FINANCIAL DATA**Long-Term Debt**

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	9/1/98	9/1/98	9/1/98	9/1/98
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$ 3,198.00	\$ 1,000.00	\$ 1,000.00	\$ 24,533.00
Amount Outstanding	\$ 746.00	\$ 189.00	\$ 189.00	\$ 15,955.00
Date of Maturity	3/1/07	3/1/07	3/1/07	3/1/07
Interest Rate	9.75 %	9.75 %	9.75 %	2.681 %
Current Year Interest	\$ 101.00	\$ 31.66	\$ 31.66	\$ 566.78
Current Year Principle	\$ 531.00	\$ 211.00	\$ 211.00	\$ 8,578.00

Meter Deposit Balance at Test Year End

\$ 128,642.00

Meter Deposits Refunded During the Test Year

\$ 15,751.00

COMPANY NAME STARLIGHT WATER COMPANY

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-501667	40	160	655	10	3	1988
55-553632	5	25	800	6	1 1/2	1996
55-565147	40	175	810	8	3	1998
55-565148	40	250	780	8	3	1998

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
NONE		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
30, 15	2, 2	119	
7.5, 5, 2.5	1, 3, 2	11	
25	2	54	
25	2	64	

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
210,000	1	50 Gal.	
100,000	1	2,500	
300,000	1	10,000	
500,000	1	10,000	

COMPANY NAME STARLIGHT WATER COMPANY

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	2,802
3		
4	PVC	5,455
5		
6	PVC	137,311
8	PVC	9,569
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	
3/4	533
1	1
1 1/2	
2	2
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

N/A

STRUCTURES:

Four Well buildings, storage tanks, fences, Four Pressure Stations

OTHER:

N/A

COMPANY NAME:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	485	635,450	132
FEBRUARY	486	746,330	1,608
MARCH	488	377,340	475
APRIL	493	473,580	654
MAY	496	645,110	1,050
JUNE	503	1,686,040	1,846
JULY	517	1,842,990	2,052
AUGUST	520	1,644,100	1,450
SEPTEMBER	525	1,327,830	1,911
OCTOBER	529	1,391,170	1,441
NOVEMBER	535	841,158	1,133
DECEMBER	536	846,020	1,070
TOTAL		12,457,118	14,822

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (xx) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (xx) No

If yes, provide the GPCPD amount: _____

0.0023

0.0014

0.0027

What is the level of arsenic for each well on your system. _____ mg/l

0.0019

(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME STARLIGHT WATER COMPANY, INC. **YEAR ENDING 12/31/2005**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 1,513.34

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

APR 10 2006

Z Corporation Commissic
Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
COCONINO
NAME (OWNER OR OFFICIAL) TITLE
JAMES R. STUDNEK, PRESIDENT
COMPANY NAME
STARLIGHT WATER COMPANY, INC.

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

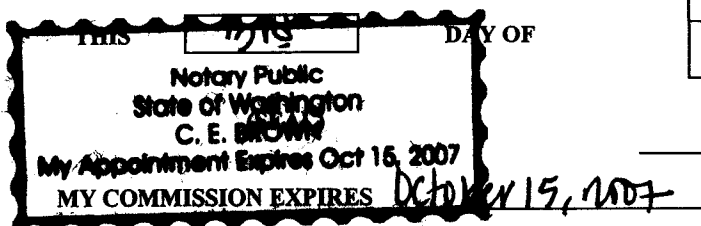
I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.


SIGNATURE OF OWNER OR OFFICIAL

(520) 623-5172
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



COUNTY NAME	Chelan
MONTH	April
YEAR	2006


SIGNATURE OF NOTARY PUBLIC

COMPANY NAME STARLIGHT WATER COMPANY, INC.

YEAR ENDING 12/31/2005

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported	<u>0</u>
Estimated or Actual Federal Tax Liability	<u>-0-</u>

State Taxable Income Reported	<u>-0-</u>
Estimated or Actual State Tax Liability	<u></u>

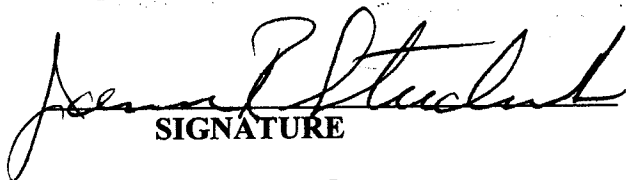
Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances	<u>\$ 841,278.00</u>
Amount of Gross-Up Tax Collected	<u>-0-</u>
Total Grossed-Up Contributions/Advances	<u>\$ 841,278.00</u>

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.


SIGNATURE

4/3/06
DATE

James R Studnick
PRINTED NAME

Pres
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 10 2006

**Z Corporation Commissic
Director of Utilities**

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) COCONINO
NAME (OWNER OR OFFICIAL) TITLE JAMES R. STUDNEK, PRESIDENT
COMPANY NAME STARLIGHT WATER COMPANY, INC.

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2005
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HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

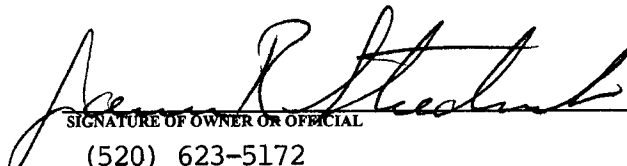
Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 294,431.14

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 18,100.14


IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**


SIGNATURE OF OWNER OR OFFICIAL
(520) 623-5172
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

NOTARY PUBLIC FOR THE COUNTY OF
HIS Notary Public DAY OF
State of Washington
C. E. BROWN
My Appointment Expires Oct 15, 2007
MY COMMISSION EXPIRES October 15, 2007

COUNTY NAME Chelan
MONTH April , 2006

SIGNATURE OF NOTARY PUBLIC

VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

APR 10 2005

Z Corporation Commission
Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) COCHINO	
NAME (OWNER OR OFFICIAL) JAMES R. STUDNEK	TITLE PRESIDENT
COMPANY NAME STARLIGHT WATER COMPANY, INC.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 288,039.40

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 17,715.82
IN SALES TAXES BILLED, OR COLLECTED)

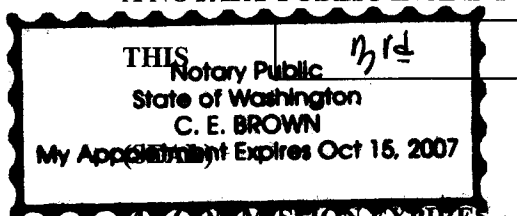
*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

James R. Studnek
SIGNATURE OF OWNER OR OFFICIAL

520-623-5172
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF



MY COMMISSION EXPIRES October 15, 2007

DAY OF

NOTARY PUBLIC NAME CE BROWN	
COUNTY NAME Chuan	
MONTH April	20 Apr

X

[Signature]
SIGNATURE OF NOTARY PUBLIC

Due October 1, 2005

STARLIGHT WATER CO INC

936 80 500 9 070003

Delinquency Date First Half Payment
Penalty for late payment is 16% per year prorated
monthly as of the 1st day of the month for
payments postmarked after 5:00 P.M. November
1, 2005 (ARS 42-18052 and ARS 42-18053).

Any total property tax of \$100 or less must be paid
using the first payment coupon-due October 1, 2005.

To pay taxes for the full year, send the 1st half coupon
with your payment postmarked no later than Dec. 31,
2005. Delinquent interest will be waived.

DETACH AND RETURN WITH PAYMENT

Payment in U.S. FUNDS ONLY
Make check payable to:
Bonny Lynn
Coconino County Treasurer

1,417.36

2,834.72



03936805000000000000141736



Bonny Lynn
Coconino County Treasurer
110 E Cherry Ave
Flagstaff AZ 86001-4627

2005 9368050000 1 00000028347200000141736

Due October 1, 2005

STARLIGHT WATER CO INC

936 80 504 1 070004

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with your payment postmarked no later than Dec. 31,
2005. Delinquent interest will be waived.

DETACH AND RETURN WITH PAYMENT

Payment in U.S. FUNDS ONLY
Make check payable to:
Bonny Lynn
Coconino County Treasurer

95.98



039368050400100000009598



Bonny Lynn
Coconino County Treasurer
110 E Cherry Ave
Flagstaff AZ 86001-4627

2005 9368050400 1 000000009598000000009598

STARLIGHT WATER COMPANY, INC.

520-623-5172
P.O. BOX 85160
TUCSON, AZ 85754

WELLS FARGO BANK ARIZONA, N.A.
LAKE HAVASU CITY, AZ 86403

91-527/1221

10/19/2005

PAY TO THE
ORDER OF **Bonny Lynn Coconino Co. Treasurer**

\$*1,513.34

One Thousand Five Hundred Thirteen and 34/100***** DOLLARS

Bonny Lynn Coconino Co. Treasurer
110 E Cherry Ave
Flagstaff, AZ 86001-4627

MEMO

AUTHORIZED SIGNATURE

⑈004359⑈ ⑆122105278⑆0703910091⑈

STARLIGHT WATER COMPANY, INC.

4359

Date	Type	Reference	Original Amt.	Balance Due	Discount	Payment
10/04/2005	Bill	936 80 500 9 0500	1,417.36	1,417.36		1,417.36
10/04/2005	Bill	936 80 504 1 0504	95.98	95.98		95.98
				Check Amount		1,513.34